



**TOURIST DEVELOPMENT COUNCIL
JULY 27, 2016 – 2:00 P.M.
CROWNE PLAZA HOTEL, INDIALANTIC**

The Tourist Development Council met on July 27, 2016 at 2:00 p.m. The meeting was held at the Crowne Plaza Hotel, Indialantic. Members present were: Chairman Tom Williamson, Vice Chairman Jim Ridenour, Commissioner Jim Barfield, Vice Mayor Walt Johnson, Bob Baugher, Laurilee Thompson, Puneet Kapur, Mayor William Capote. Absent member was: Tim Deratany. TDC Staff present: Eric Garvey, Bonnie King, Candace Narmore, Stacy DeLano, Tiffany Minton, Jeanna Wood, Deborah Webster.

WELCOME AND INTRODUCTIONS –CHAIRMAN TOM WILLIAMSON

Guests present were: Becky Behl-Hill, Assistant County Attorney; Holly Carver, District 1 Commission Office; Liz Alward, District 2 Commission Office; John Belden, *Space Coast Fun Guide*; Lori Helton, District 3 Commission Office; Marshall Hooks, Cocoa Beach Chamber CVB; Dave Berman, *Florida Today*; Mike McGarry, Office of Natural Resources; Keith Winsten, Brevard Zoo; Karen Heird, Crowne Plaza Melbourne; Nancy Peltonen, Palm Bay Chamber of Commerce, Bob Morrilees, Bev Morrilees, Ginny Davis, Cape Canaveral Light House; Bonnie Champion, Space Coast Advertising; Chris Fairey, Merritt Island Wildlife Association; Melissa Byron, City of Cocoa Beach; Neta Harris, BNA; Dave Netterstrom; Tom Vani, Vani & Associates; Dan Deratany; Linda Brandt, Brandt Ronat; Naseer Muttalif, 360 Hospitality Group.

APPROVAL OF AGENDA:

Board members were asked to disclose any Conflict of Interest with any agenda items and/or any business relationships between the Board. None were disclosed.

ACTION: Ridenour moved to approve the Tourist Development Council July 27, 2016 meeting agenda with no changes. Johnson seconded the motion and the motion was unanimously approved.

APPROVAL OF MINUTES:

ACTION: Ridenour moved to approve the Tourist Development Council minutes of May 25, 2016. Baugher seconded the motion and the minutes were unanimously approved.

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ECO- PLAN UPDATE – HERB HILLER

Hiller said when SCOT brings product to market, it typically necessitates public investment. For example, if we want beach hotel tourism for the jobs and sales tax revenues it generates, the public has to invest in barrier island roads, in buses that get people to work, in police and lifeguard protection, and sometimes provide incentives for hotels and other facilities. These investments benefit residents and visitors alike because just about everything that visitors use or do, residents also use or do. So, tourism makes us think about the adequacy of our resources for residents, even if we pay far more attention to tourism marketing.

Hiller stated tourism can do more than only provide jobs and boost tax revenues that relieve the burden on residents. Tourism can do more that residents require. The distinctive value of ecotourism is that it openly pays attention to the receiving end – to the qualities of places: environmental, cultural and aesthetic -- and not just to marketing. These qualities are increasingly important to Floridians as our cities grow more crowded. These qualities – these assets -- increasingly drive Florida tourism. Investments in these assets benefit residents and visitors alike.

The idea of ecotourism formed 50 years ago around environment and heritage, but today ecotourism also asks how we can use the presence of outsiders temporarily among us at leisure to address local needs. It opens new doors. I will explain.

Hiller said he has been studying several themes for SCOT, all of which promise to attract new markets while improving how people in Brevard County live. The themes are 1) Brevard Identity 2) Indian River Lagoon 3) Workforce Development 4) Trails and Bicycle Touring 5) St. Johns River 6) Space and Dark Skies 7) Meetings and Conferences.

The first concerns the need for a linked identity across the 72-mile-long Space Coast that 550,000 Brevard County Residents call home. Residents of Melbourne Beach may never get to Titusville and vice versa. And if you haven't kayaked bioluminescent Mosquito Lagoon in the north or driven south to witness the pall-mall race to the sea of turtle hatchlings, you may not value the importance of dark skies for so much of Brevard County. These kinds of ecotourism experiences have now become part of the mainstream Brevard brand. Brevard needs continued residential commitment at both ends, and all up and down.

SCOT can address this need for linked identity by adopting new product that markets Brevard vacations to Brevard residents. North and south, they can get to know each other's places. Sun Tree and Viera residents -- so many of them retired newcomers with abundant amenities

directly available in their communities – need to become familiar with the extended realm that's also their home. During the off-season, residents can be offered Brevard in-county rates.

One way that SCOT would market this domestic product is by celebrating the unique geography of “Brevard Long:” Make it fun. Print the really distinctive Brevard map on shopping bags and on vertical billboards. Arrange the imagery of everything long, from neckties to Brevard Zoo giraffe necks, to artistic swallowtail kites and baseball bats, to rockets and their trajectories. Our long geography keeps us apart. We celebrate its length. We should annually stage a “Brevard Long Pageant”. From year to year, the pageant moves around the county. So do we as residents. This brings us together. Partner with the Brevard Cultural Alliance.

The second theme concerns the Indian River Lagoon. The lagoon has long been venerated as habitat for some 4,000 species. Across 156 miles, only a narrow barrier island separates the lagoon from the most prolific turtle nesting beaches of North America. Since the turn of the 20th century and dedication by President Theodore Roosevelt of the first national wildlife refuge, scientists and lay advocates have come from everywhere to study and protect this singular stretch of biodiversity where temperate and sub-tropical climates overlap. Untold numbers of people have made Brevard home because of the watersport that the lagoon sustains, and to protect it and thereby experience their lives more fully as human animals.

Over the years, more than 30 educational and interpretive institutions have set up in the region. These include the Marine Discovery Center in Ponce Inlet, the Merritt Island National Wildlife Welcome Center, the Brevard Zoo, the Ted Moorhead Lagoon House of the Marine Resources Council in Palm Bay, the Environmental Education Center in Wabasso, the Harbor Branch Oceanographic Institute and the Smithsonian Marine Station in Fort Pierce, the Ox-Bow Environmental Center in Port St. Lucie, the Florida Oceanographic Center in Stuart, and the portfolio of nature sites within the Brevard County Environmentally Endangered Lands Program. Some people know about one or two. Few know about all 30-plus and how they represent this 156-mile region where they live. On average, there is one facility for every five miles. It's a realm of remarkable environmental commitment.

Of course these days, the lagoon is a Florida environmental calamity. In the south, toxic algae blooms result from brutal discharge of pollutant laden freshwater that overwhelms the natural salinity of the lagoon, killing vital seagrasses and animal life, devastating property values, closing beaches, auguring lower fish harvests, and by the stench, forcing residents to stay indoors. A mess! In the north, the problem is failing septic tanks, nutrient discharges from fertilized yards, and urban and agricultural runoff.

In a carefully thought out win-win way, the TDCs of the five lagoon counties can now choose to identify their *separate destinations as a super region* of environmental awareness and-investment that would help media and the marketplace grasp the rich resource at hand and how it's *far from utter ruin*. Focus on all that's available, and that hardly anyone has ever heard about. Media, in fairness, will report this long overlooked combined resource. Each TDC would continue to operate independently, but all would also work cooperatively, best in collaboration with the Indian River Lagoon Council and National Estuary Program.

Moreover, if the Brevard Board of County Commissioners authorizes a self-taxing environmental referendum on the November ballot, and if approved by voters, Brevard will have shown its commitment to clean up its own mess. For the rest of the lagoon, the problem is largely the result of water policies over which the lagoon counties have no control. The region itself would come to be seen as walking the talk that the many environmental centers represent. Marketers would know how to show the region in its better light that has never been seen before. VISIT FLORIDA surveys show that at least 70 percent of visitors take part in nature-based activities. That's Brevard's market. We need to grab it.

A third theme looks at how tourism can address a pair of pressing workforce opportunities.

Brevard's rocketing economy needs to attract more high-skilled high-tech workers. The TDC can help in an obvious way. That's to partner with major employers to ensure that when tech workers come to interview, they experience the leisure side of Space Coast careers. Employers could link to a SCOT web page that provides itineraries of a day to several days for their appeal to various interests. SCOT can propose this program to the Economic Development Commission of Brevard County.

A second opportunity would address the needs of students who don't learn well in classrooms. They would study a range of subjects – math, biology, nutrition, climate science, people and management skills, business, sales and marketing – all by engaging in farm-to-market enterprise. Brevard already offers innovative opportunities in community supported gardens, in hydroponic growing, in nutrient-rich treated seawater-fed gardens. Grants could expand all these programs to include active hands-on teaching and learning. Wild Ocean Seafood Market and the North Brevard Economic Development Zone are at work on such a project in Titusville.

These projects already supply Brevard hotels and restaurants. Local sourcing of food has become high demand. SCOT has a homegrown opportunity in this. Its marketing should highlight places to eat that source their food in-county or within a certain perimeter. People

increasingly want to know where their food comes from. Brevard could develop a niche agritourism market.

SCOT is already developing a fourth theme. This is a trails and bicycle touring initiative that is as important for residents as visitors. An influx of cycling visitors will model a healthful form of mobility already encouraged for transportation.

We know today that among the most frequently asked questions at Florida Welcome Stations is “Where can I ride a bike safely,” and that year after year, surveys of the National Association of Homebuilders report that off-street bicycle trails are more sought after by new home buyers than golf course access.

Brevard is a leader in Florida county trail building and encouragement. This fall, the Space Coast TPO plans to launch a Pathways website that will feature all Brevard trails. The TPO is partnered in the project with *Florida Today*. Major trails are being built in North County, through Cocoa Beach and in Viera. Three trunk trails converge in Titusville: the 2,900-mile East Coast Greenway, the 260-mile St. Johns River-to-Sea Loop, and the 250-mile Coast-to-Coast Trail. FDOT has committed to build to completion a new series of multi-county SUN Trails. The first two selected are the River-to-Sea Loop and Coast-to-Coast Trail. Starting this year through 2019, each will receive an initial \$42 million.

Among ecotourism projects that SCOT has already adopted a national touring company to launch group tours in Brevard. The operator is Bubba’s Pampered Pedalers based here in Viera. Bubba’s runs transcontinental tours, and is partnered in the longest and largest American tour, RAGBRAI, the Register’s Annual Great Bike Ride across Iowa, that attracts 15,000 cyclists a year.

Brevard hoteliers are already on record in support of trails and bicycle touring. It’s a new market for which Brevard can earn national credibility. SCOT should work with the TPO and *Florida Today* to include the new Pathways website as part of its tourism marketing.

DESTINATION PRODUCT ASSESSMENT PRESENTATION – DAN MARTIN, MARKET & FEASIBILITY ADVISORS

Dan Martin, Market & Feasibility Advisors, gave an overview of the Destination Product Assessment Report. Some of the highlights from the presentation are listed below.

Brevard County/Florida’s Space Coast

- Is fortunate to have a dynamic and diverse tourism economy

- It does not have one or two dominant attractions or several similar ones that target the same markets - like many other destinations
- It has many significant and moderate attractions spread throughout a 70-mile long county

Consequences

- It can sample many different markets but not go deep in any one other than beach tourism – it's a portfolio approach to tourism (like spreading your retirement dollars across 5 or 6 funds) – lowers overall risk but limits upside
- It fosters a small-business, not big corporate, approach to tourism development and promotion
- Not having a dominant one or two means that that tourism really spreads across the entire county – every area is in on the action and every area needs tourism support like hotels, restaurants, and shops
- Because everyone in the County is in on the business and its all over the County, things like Countywide transportation infrastructure and signage are tourism issues too
- This is great for County residents (more get good roads) but costly as dollars get spread around
- The 70-mile story is not unique; Myrtle Beach's Grand Strand is 100 miles – what's different is that that they have one big dense stretch while Brevard has multiple clusters or nodes
- This does create some competition between your nodes, but because you're all in the same County with the same TDA you have to work cooperatively and make the rising tide lift all boats

What this Means

- The near-term opportunity for Brevard County tourism IS NOT investment in a single major attraction like a convention center; but investment in several projects which will knit together with the existing infrastructure and connect to visitor flows providing for a richer tourism experience resulting in longer stays and greater tourist spending
- Brevard County already has a lot going on, so diving into a new type of tourism only makes sense
- With the amount of capital the TDO has, to make an impact, you need to limit the number of projects so there's enough investment in each funded project to really make a difference while still being sure you're fostering activities across the County
- By investing in community-oriented tourism projects, current visitor flows will be leveraged and provide broader positive impact across the County community and increase the desired economic impact across many small businesses

Policy Recommendations

- The TDC has limited funds available for tourism-related Capital Facility projects. Leverage these funds with spending from other organizations and when possible, use TDC funds to encourage/enable other funding
- Leverage TDC dollars - Invest only in projects that have other investors or funding sources (could be in-kind) that amplify your investment
- Support only projects which have a project sponsor who can demonstrate the ability to accomplish fundraising and complete the project on time and budget
- Be prudent to minimize failures - Require projects to have reviewed business plans and an identified operator with a successful track record of operating like facilities
- Avoid creating new nodes or lone wolves – Look for projects which support existing nodes and leverage existing visitor flows across the Space Coast
- Stay in your lane – invest in tourism categories that you're already in or exist, but can be leveraged

Recommendations

- The first document profiles the County and the two adjacent counties north and south and arrives at preliminary conclusions for ranking a suggested list of projects
- The second document evaluates and ranks a more refined set of proposed projects – notwithstanding the absence of the rigorous evaluative process (like business plans and funding) that we recommend in this process
- We rank some more highly than others as they follow the criteria just discussed. We suggest you move down the list with an awareness of distributing a small number of projects around the County

Baughner stated it is important to improve the quality of tourism for our visitors. If you clean up the amenities and improve parking at beach parks it will create more tourism and a healthier economy. Cocoa Beach generates a majority of the tourist tax but has been underfunded for years.

Martin agreed that anything a community can do to improve facilities in an area not only benefits tourism but also the quality of life for its residents.

Consensus is to look at funding strategies to accomplish these recommendations.

CAPITAL FACILITIES – MAYOR WILLIAM CAPOTE

Garvey reviewed the Capital Facilities Financial Report and Expenditure Detail. Garvey explained that funding for the Veterans Memorial Center will come out of Reserves.

Garvey stated TDO Staff will be visiting the Dinosaur Museum in Cocoa Beach. The purpose of the visit will be to check on the TDC's investment of funds and find out the target opening date.

Williamson moved to approve the Capital Facilities Financial Report and Expenditure Detail. Baugher seconded the motion and the motion was unanimously approved.

MARKETING COMMITTEE REPORT – BOB BAUGHER

Marketing Committee Meeting Report: Baugher reported the Marketing Committee met on July 19, 2016. The Marketing Committee reviewed the Marketing Financial Report and Expenditure Detail. The Committee also heard a presentation from Mitch Varnes who was reporting on the Beach-N-Boards. A report was included in the packet.

The Committee reviewed the FY 2016-17 Special Event Funding Application Rankings. The Committee recommends the TDC approve a total of \$50,000 to be used for the following:

- Boards & Waves III - \$12,002
- Cocoa Beach Uncorked - \$13,131
- Downtown Melbourne Food & Wine Festival - \$13,582
- Space Coast Pride - \$11,285

The Committee reviewed the FY 2016-17 Co-operative Advertising Guidelines and recommended the TDC approve the proposed changes to the guidelines. The Committee also recommends the TDC approve changing the name of the program to the Visitor Information Program.

Ridenour recommended putting back the detailed information regarding the TDC and tourist tax into the guidelines.

King stated she will add these items back into the guidelines.

The Committee reviewed the Travel Media Relations Selection Committee rankings and recommends the TDC approve the selection of Butin Integrated Communications. The Committee also recommends the TDC authorize the TDO Executive Director to negotiate the contract not to exceed \$120,000.

Ridenour asked that in the future TDC Members be given information on the companies that submit a proposal.

Williamson asked TDO Staff to have Butin Integrated Communication come to the next TDC meeting.

Ridenour moved to approve the Marketing Committee recommendations from the July 19, 2016. Detailed information on the TDC and tourist tax will be added back into the FY 2016-17 Co-operative Advertising Guidelines. Kapur seconded the motion and the motion was unanimously approved.

Marketing Update: Tiffany Minton, gave a campaign update. The Late Summer Campaign is going well. This campaign is targeting communities with high index to our target consumer profiles and with late school start dates. The KPIs are very impressive with over 35 million ad impression and over 8 million online video views. This should increase business in the August/September shoulder.

Minton stated Millennials, whom we define as those ages 18-34, now number 75.4 million and are on their mobile device:

- 3.2 hours a day
- 1 day a week
- Check mobile device 60x a day

Minton reviewed Key Strategies for 2017. The highlights are listed below:

Facebook/Social Media

- Increase our spend next fiscal year
 - Leverage relationship with FB and HYFN to be a leader in social media
 - Get insights and get in front of new technology

Digital vs Traditional Media

- Increase our digital advertising by 10% (video)
 - The average digital spend was 62% for FY2016 -Increase to 72% for FY2017

Strategy for TV:

- Digital Streaming TV: HULU, Crackle, Amazon, etc.
- Videos on specific shows that have the most viewers
 - Videos on FB to accompany our TV purchase
 - FB is hyper-focused and we want to align our TV buy accordingly

Billboards

- Permanent locations
- In-bound Interstate Corridors
- Freshen up the billboard elements and imagery

Minton gave an outline on the planning process for developing the Marketing Plan Schedule as follows:

- July – Planning phase
- August – Present preliminary 1st draft of 2017 Marketing Plan
- September – Board Approval of Budget
- Sept/Oct – Final 2017 Marketing Plan

Sales Action Team and Film Update: King gave the Sales Action Team and Film update. A detailed report was included in the packet.

SPORTS COMMISSION – TOM WILLIAMSON

Garvey reported that Rusty Buchanan, The Buchanan Company, sent a letter requesting the early termination of the sports Promotion and Development Agreement between the TDO and Buchanan Company effective September 30, 2016. This will allow for a seamless transition and finish the commitments of this contract for this fiscal year. The TDO will look to replace the sports recruitment role of the contract and will continue future fiscal year commitments already in place.

Baughner moved to approve the early termination of the Sports Promotion and Development Agreement between the TDO and Buchanan Company effective September 30, 2016.
Ridenour seconded the motion and the motion was unanimously approved.

Ridenour commended Rusty Buchanan for the many room nights he has generated over the years.

CULTURAL EVENTS COMMITTEE REPORT – JIM RIDENOUR

Ridenour reported that Neil Levine, BCA, was one of only 10 people invited to attend Arts for America in December.

BEACH IMPROVEMENT COMMITTEE – LAURILEE THOMPSON

Thompson reported that the Board of County Commissioners approved the Project Partnership Agreement between Brevard County and the Department of the Army for Construction of the Brevard County Shore Protection Project Mid Reach.

DIRECTOR'S REPORT – ERIC GARVEY

Tax Revenue Report: Garvey gave the June 2016 Budget vs. Actual Tourist Tax June 2016 Report. A detailed report was included in the packet.

May 2016 Tourist Tax Data Analysis: Garvey reviewed the May 2016 Tourist Tax Data Analysis. A detailed report was included in the packet.

Quarter 3 FY 2015-16 Expenditure Detail Report: DeLano presented the detailed Quarter 3 FY 2015-16 Expenditure Detail. The Quarter 3 FY 2015-16 Expenditure Detail report was included in the packet. DeLano reported she would be making line item transfers and requested approval to do so from the TDC. She will present detailed information on the line items transfers at the next TDC meeting.

ACTION: Baugher moved to approve the TDC Financial Reports as presented.
Ridenour seconded the motion and the motion was unanimously approved.

STR REPORT: Garvey reviewed the February 2016 STR report. The detailed report was included in the packet.

OTHER BUSINESS AND TDC MEMBER REPORT:

Meeting adjourned.